

HOUSE BILL NO. HB0014

Insurance Code-amendments.

Sponsored by: Joint Corporations, Elections & Political
Subdivisions Interim Committee

A BILL

for

1 AN ACT relating to insurance; requiring registration of
2 third party administrators and providing associated
3 rulemaking authority; establishing a fee for third party
4 administrators; amending licensing provisions; amending
5 insurance producer continuing education requirements;
6 repealing obsolete language; and providing for an effective
7 date.

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9 *Be It Enacted by the Legislature of the State of Wyoming:*

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11 **Section 1.** W.S. 26-53-101 through 26-53-103 are
12 created to read:

13

14

CHAPTER 53

15

THIRD PARTY ADMINISTRATORS

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2 **26-53-101. Definitions.**

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4 (a) As used in this chapter:

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6 (i) "Third party administrator" means a person
7 who directly or indirectly underwrites, collects charges,
8 collateral or premiums from, or adjusts or settles claims
9 on residents of this state, in connection with life,
10 annuity, health, or stop-loss coverage offered or provided
11 by an insurer, but does not include any of the following:

12

13 (A) An employer on behalf of its employees
14 or the employees of one (1) or more subsidiary or
15 affiliated corporations of such employer;

16

17 (B) A union on behalf of its members;

18

19 (C) A fully self-funded insurance plan
20 meeting the definition of employee benefit plan as set
21 forth in the Employee Retirement Income Security Act of
22 1974;

23

1 (D) An insurance company licensed in this
2 state;

3
4 (E) A prepaid hospital or medical care
5 plan;

6
7 (F) An insurance agent or broker licensed
8 in this state when acting as an insurance agent or broker;

9
10 (G) A creditor on behalf of its debtors
11 with respect to insurance covering a debt between the
12 creditor and its debtors;

13
14 (H) A bank, credit union or other financial
15 institution which is subject to supervision or examination
16 by federal or state banking authorities when acting as a
17 bank, credit union or other financial institution and not
18 as an administrator;

19
20 (J) A credit card company which advances
21 for and collects premiums or charges from its credit card
22 holders who have authorized it to do so, provided such
23 company does not adjust or settle claims;

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(K) A person who adjusts or settles claims in the normal course of the person's practice or employment as an attorney at law or an adjuster licensed in this state and who does not collect charges or premiums in connection with insurance coverage or annuities.

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26-53-102. Registration of third party administrators; rulemaking authority.

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No person shall act as a third party administrator in this state without a certificate of registration issued by the commissioner. The commissioner in compliance with the Wyoming Administrative Procedure Act shall promulgate reasonable rules and regulations necessary to implement this chapter.

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26-53-103. Third party administrator fee.

Every third party administrator registered with the department shall pay the fee provided for in W.S. 26-4-101(a)(xix).

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1 **Section 2.** W.S. 26-4-101(a) by creating a new
 2 paragraph (xix), 26-9-202(a)(vii) and by creating a new
 3 paragraph (xxi), 26-9-207(f) and (g), 26-9-211(a)(xi) and
 4 by creating a new paragraph (xiii), 26-9-219(a),
 5 26-9-231(f) and 26-32-101 by creating a new subsection (c)
 6 are amended to read:

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8 **26-4-101. Fee schedule.**

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10 (a) The commissioner shall collect in advance or
 11 contemporaneously fees, licenses and miscellaneous charges
 12 as specified in this subsection. Collection may include the
 13 acceptance of electronic funds transfer. All fees and other
 14 charges collected by the commissioner as specified in this
 15 subsection shall be nonrefundable:

16

17 (xix) Third party administrator (biennial)
 18 \$ 200.00

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20 **26-9-202. Definitions.**

21

22 (a) As used in this chapter:

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1 (vii) "Limited lines insurance" means those
2 lines of insurance referred to in paragraph (xxi) of this
3 subsection and W.S. ~~26-9-221,~~ 26-9-234, 26-32-101,
4 26-37-102(a)(iv) or any other line of insurance the
5 commissioner deems necessary to recognize for the purposes
6 of complying with W.S. 26-9-208(e);

7
8 (xxi) "Crop insurance" means insurance providing
9 protection against damage to crops from unfavorable weather
10 conditions, fire, lightning, flood, hail, insect
11 infestation, disease or other yield-reducing conditions or
12 perils provided by the private insurance market or that is
13 provided by the federal crop insurance corporation,
14 including multi-peril crop and protection of revenue from
15 adverse market fluctuation insurance.

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17 **26-9-207. License.**

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19 (f) Licensees shall inform the commissioner by any
20 means acceptable to the commissioner of a change of name,
21 address, telephone number or other contact information as
22 defined by rule and regulation of the commissioner within
23 thirty (30) days of the change.

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2 (g) The commissioner may contract with
3 nongovernmental entities, including the National
4 Association of Insurance Commissioners or any affiliates or
5 subsidiaries that association oversees, to perform any
6 ministerial functions, including the collection of fees,
7 related to ~~producer or surplus lines broker~~ licensing that
8 the commissioner and the nongovernmental entity may deem
9 appropriate.

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11 **26-9-211. License denial, nonrenewal or revocation.**

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13 (a) The commissioner may, after appropriate notice
14 and opportunity for hearing pursuant to the Wyoming
15 Administrative Procedure Act and in accordance with W.S.
16 26-2-125 through 26-2-129, place on probation, suspend,
17 revoke or refuse to issue or renew an insurance producer's
18 license or other license issued under this code, or may
19 levy a civil penalty in accordance with W.S. 26-1-107 or
20 any combination of actions, for any one (1) or more of the
21 following causes:

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1 (xi) Improperly using notes or any other
 2 reference material to complete an examination for an
 3 insurance license;~~or~~

4

5 (xiii) Failing to maintain a valid home state
 6 license.

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8 **26-9-219. Adjuster's license; exception;**
 9 **notification.**

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11 (a) Application for license as an adjuster shall be
 12 made to the commissioner on forms he prescribes and
 13 furnishes. The commissioner shall issue the license as to
 14 qualified individuals upon payment of the license
 15 application fee stated in W.S. 26-4-101. An adjuster may
 16 qualify for a license in one (1) or more of the following
 17 lines of insurance:

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19 (i) Property insurance, as defined in W.S.
 20 26-5-104;

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22 (ii) Casualty insurance, as defined in W.S.
 23 26-5-106;

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(iii) Crop insurance, as defined in W.S.

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26-9-202(a)(xxi).

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26-9-231. Continuing education.

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(f) Every person subject to this section shall furnish, in a form satisfactory to the commissioner, written certification as to the courses, programs or seminars of instruction taken by that person. The certification shall be executed by or on behalf of the sponsoring organization within a ~~sixty (60)~~ fifteen (15) day period following the course, program or seminar. A nonresident adjuster having met the continuing education requirements in his home state is exempt from the provisions of this section. A nonresident adjuster not licensed in his home state is subject to the requirements of this section.

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26-32-101. Supervision and audit of funds; approval of investment; promulgation of rules and regulations; licenses.

1 (c) A person shall not sell prepaid or prearranged
2 funeral contracts in this state unless the person is
3 licensed by the department in accordance with W.S.
4 26-9-203.

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6 **Section 3.** W.S. 26-9-221 is repealed.

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8 **Section 4.** This act is effective July 1, 2017.

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(END)